CITY OF VANCOUVER
PLANNING DEPARTMENT

Price: $2.00

REPORTS TO COUNCIL

SUBJECT: INDUSTRIAL ZONING

DATE: JANUARY 12,1987

COMMITTEE ACTION:

The Standing Committee of Council on Finance and Priorities, at its meeting on January 15, 1987, had for consideration various Manager's reports pertaining to the following subjects:

- Industrial Zoning - An Overview, City Manager's report dated January 12,1987:
- New Industrial Zoning, City Manager's report dated October 23, 1986, forwarding a report from the Director of Planning dated October 21, 1986;
- New Industrial Use terms, City Manager's report dated October 27, 1986, forwarding a report of the Director of Planning dated October 17, 1986;
- South of Granville Island Rezoning, City Manager's report dated October 20, 1986, (brief dated January 13, 1987, from Alhara Developments Ltd., also circulated);
- Marine Drive Industrial District Review, City Manager's report dated June 2, 1986, forwarding a report of the Director of Planning of the same date;
- Fraserview Review, City Manager's report dated January 12, 1987.

Discussion of the foregoing is reviewed herein under the respective headings. All recommendations are incorporated at the conclusion of this report.

Industrial Zoning - Overview

In his overview report on industrial zoning, the City Manager introduces five related reports (listed above) on industrial zoning and development of City-owned industrial lands. Two general zoning reports represent a significant step forward in the development of new industrial zoning, which Council instructed staff to prepare based on principles approved in 1983 and 1984. Extensive consultation and discussion throughout 1985 and 1986 led to modifications of the proposed new zoning and the approach to its implementation. The remaining three reports deal with zoning or development issues related to specific industrial areas.

Vancouver has about 2,000 acres of industrial zoned land, about 10% of the City's total land area. The 12 industrial areas and their present zoning are shown on the map attached as Appendix A. Industrial lands in the City are under pressure to change, both from businesses falling outside the traditional definitions of industry, and from conventional commercial and residential users. A balance should be maintained between facilitating economic growth through new activities and protecting existing industrial uses, and it would be useful for the City to review overall policies in this regard.

The report briefly reviews each of the five reports individually, and what the Manager's recommendations will be with regard to each. Also briefly outlined is the work program which would follow from approval of his recommendations, consisting of two concurrent streams: firstly, finalization of the forthcoming report on the industrial role of the central city, and Council and public discussion of the City's overall industrial policy; and, secondly, work related to specific areas where zoning change is a high priority. Forthcoming 1987 reports will include:

- the aforementioned report on the industrial role of the central city;
- a report on the Mayor's proposed Fraser River Task Force to review zoning and development issues related to lands along the Fraser River;
- reports specific to high priority industrial areas including Marpole, Lougheed and Boundary (Still Creek), Joyce and Vanness, and Mount Pleasant, totalling about 80% of the City's industrial lands.

The Deputy City Manager gave a verbal overview of industrial policy and zoning issues facing Council, describing proposed zoning and objectives. Mr. Dobell expressed confidence that the types of zoning proposed are appropriate for the purpose intended. The proposed new industrial zoning schedules will provide a vehicle for discussion of proposed changes, and as specific areas are reviewed, Council will be in a position to make decisions appropriate with its overall industrial policy.

With the assistance of an overhead projector and various wall charts, the Associate Director of Planning, Overall Planning, also reviewed the industrial zoning package before the Committee. He noted that contained herein are zoning tools, including new industrial zoning schedules and new industrial use terms, a proposed industrial land use policy, an industrial rezoning program, and a proposed schedule for its implementation in various areas. Mr. Droettboom's detailed remarks on each area will be summarized under the appropriate heading.

New Industrial Zoning

During 1983 and 1984, Council considered proposed new industrial zoning and adopted several principles, including the following:

- replacement of existing M zoning schedules with new I zoning in areas considered suitable for continued industrial zoning use;
- reservation of two basic I zones (I-1 and I-2) exclusively for industry;
- establishment of a buffer of I-1 zoning between I-2 and residential zoning; and
- development of two additional zoning schedules for areas not completely suited for industry and more appropriate for high-technology industry (IC-1) or large-site commercial uses (C-4, to be dealt with in a later report).

In addition, Council endorsed principles concerning uses and approval guidelines in the I zones, and made preliminary zoning designations, but reserved decision on a land use policy. Following continuing discussions with the industrial community, as well as trial experience with several industrial developments, a new approach has been devised, and the Director of Planning is now reporting back about new proposed industrial zoning and its implementation.

The new industrial zoning report proposes a set of tools for improving conditions in industrial areas; a proposed "industrial land use policy" clarifying

the City's intentions with regard to industry and industrial lands; new zoning regulations to replace the existing zoning; and a program for rezoning industrial areas, including principles, process and priorities. Each of these areas is discussed in detail. Proposed new industrial zoning schedules are appended to the report.

Modifications in industrial and industrial-commercial schedules presented to Council in 1984 are explained. The Director of Planning believes the work in negotiations carried on since 1984 substantially improves upon the original initiatives as follows:

- the revised zoning schedules provide a more friendly regulatory environment for both the traditional industries and for new, non-conventional economic activities through the provision of cleaner, simpler, more effective zoning;
- Council's intentions for the City's industrial areas have been consolidated into a single, concise policy proposal detailing the rationale for husbandry of the City's industrial land supply, indicating characteristics to be used in designating land for continued industrial use, and specifying tests to be applied when releasing land from industrial uses and the alternative uses which would be acceptable;
- an incremental, area-by-area implementation process is proposed which will ensure open, more adaptive implementation of industrial zoning.

The Associate Director of Planning, Overall Planning, commented on the proposals, explaining the new zoning schedules are of two types. The I-1 and I-2 schedules have been designed to establish industrial districts, with the I-1 schedule intended to provide a buffer zone between the "high impact" industrial district (I-2) and other districts. They are intended to preserve existing viable industrial uses, or to protect the opportunity for new industrial uses in the future. The IC-1 and IC-2 schedules permit a mix of industrial, office, and commercial uses, accommodating light industrial uses compatible with one another and with adjoining residential and commercial districts. IC-2 is identical to IC-1 except for external design regulations pertinent to development on major streets. These schedules recognize that there are new uses arising in the City's economy, including "high tech" industries, which require a higher proportion of office and amenity space.

It is the Director of Planning's hope the revised zoning schedules will be clearer and more focussed regarding the City's intent for various industrial areas, and will also expedite administration. There will be more outright uses and fewer conditional uses, and fewer non-residential uses will be permitted in industrial zones. There will also be fewer regulations than are found in existing industrial schedules.

Mr. Droettboom expalined the new industrial land use policy (Appendix B attached) aims to preserve land for industry, but also to permit change where this is clearly demonstrated to be in the public's interest. I-1 zoning will provide for low impact industrial use, and I-2 for high impact industrial use (where there is a potential for undesirable affects on adjacent lands). The IC zoning will provide for mixed use areas as well as high technology industries. In areas no longer suitable for industry, rezonings to residential, institutional, or recreational use should be considered, but there will be no rezoning of industrial lands to retail/office use.

With regard to implementation of the zoning proposals for various industrial areas of the City, schedules provide models for consultation with owners. Sufficient flexibility is provided to accommodate whatever changes Council may make in its forthcoming consideration of industrial policy. The policy issue lies between the schedules - IC, which will encourage non-traditional uses and a change in the area, or I, which will maintain a traditional industrial character. The Director of Planning recommends the previously established, tentative designations for each of the industrial areas in the City be reconsidered, in consultation with area industrialists and others.

It is proposed that the following process be generally followed in each industrial area in the preparation of final zoning recommendations:

- staff review of pertinent materials;
- public information meeting with interested parties to establish industrial area advisory committee and initiate discussion programs;
- committee discussion program to prepare final zoning recommendations;
- final public information meeting to confirm consensus, and
- report to this Committee recommending proposed new zoning.

Council will be informed about initiation of consultations in any area of the City. The proposed agenda implementation program, including the Planning Department's priorities, is outlined below (figures in brackets indicate approximate land area in acres):

1 First Priority (estimated completion 1987):
  - South of Granville Island (65)
  - Marine Drive - Centre (375)

2 Second Priority (potential completion 1987 - 1989):
  - 12th and Arbutus (25)
  - Mount Pleasant (including Cambie Corridor) (125)
  - Joyce and Vanness (35)
  - Lougheed and Boundary (including Still Creek) (220)
  - Marine Drive - East (Fraserview) (215)
  - Marine Drive - West (including Angus Lands East) (210)

3 Third Priority (potential completion 1989 and later):
  - Clark Drive (85)
  - Powell Street area (including D.E.O.D. sub-area 4) (115)
  - Burrard Waterfront (290)
  - False Creek Flats (340)

Mr Droettboom indicated the priority listings assigned to the foregoing by the Planning Department are based on which areas are suffering the most substantial pressures for change.

Staff were queried regarding the philosophy behind the preservation of industrially zoned land, and why, if natural market forces encourage industry to relocate outside the City, the City should try to prevent this. In response, Mr. Droettboom and Mr. Phil Mondor, Industrial Planner, felt it was appropriate to recognize there is a substantial employment base in place in the City in traditional manufacturing which generates a substantial number of jobs and economic activity. It would be in the City's interest to manage a transition from the old to the new economy in such a manner as to prevent disruptive displacement. To leave the door wide open may well accelerate displacement through conflicts with residential districts, difficulties in transportation, and so forth. Industries which move to the City in good faith may reasonably expect to be pro-

tected by the City just as homeowners may expect this protection. Also, trends in the coming economy are not yet clear enough for the City to ignore opportunities offered by traditional industry.

The City Engineer also commented that some industries, for example, concrete plants, generate substantial materials utilized in the City core, and it is a benefit when these can be centrally located. Were such industries to be located entirely in the suburbs, trucking on the already strained City street system would be greatly worsened, with impacts on residential areas. other activities along the Port and Fraser River, as well as the railways, are vital to the City in the same way. Particular reference was made to those industries dependent upon water and rail transportation.

The Manager of Economic Development, whose office has long been involved in discussions regarding industrial zoning, commented favourably on the Director of Planning's proposals, which should permit existing industry to remain viable and assist areas under stress. Mr. Fancy noted the proposals will move many things from the by-laws which have tripped up industrialists for years. He felt the next step must now be areas of specific analyses.

The Committee felt what is being engendered here is a new economic policy rather than merely an industrial zoning policy. Existing zoning with its emphasis on heavy industry does little to create jobs, but these proposals by encouraging a wide range of activities and providing clearer guidelines for development, will create economic investment opportunities. Philosophically, the Director of Planning's proposed approach was viewed as most constructive, and a good first step in response to changing economic conditions.

However, the Committee expressed one substantial reservation with respect to the draft I-1, I-2, and IC-1 and IC-2 district schedules, with respect to conditional uses. The Committee perceived conditional/discretionary uses, and resultant uncertainty as to whether a use will or will not be permitted in an area, as a major irritant to developers. It was felt that insofar as feasible, uses should be outright, with conditional uses minimized.

Staff explained that a very substantial percentage of uses listed as conditional in the proposed district schedules are not intended to be located in those areas. They are included to permit consideration of a broader range of activity in an area, as well as in recognition of the possibility that uses not normally appropriate to any area may be adaptable to it, particularly with the rapidity of technological improvements able to mitigate impacts. Staff have attempted to identify legitimate questionable uses, which might be made to work in a given situation.

Committee members enquired why various specific examples were included as conditional uses in the relevant schedules; staff advised information to this effect could be provided if desired. The Committee suggested that "noxious impact", for example, if known, would indicate more clearly why a use should be conditional.

It was pointed out the City is able to regulate only certain types of

noxious impacts by the zoning process, including noise, smoke, "ugliness". Other civic departments regulate other such impacts. For example, the Fire Department and Permits and Licenses evaluate fire and similar hazards, while the Engineering Department is responsible for the impact on the water system. Also if noxious impacts were to be used in this sense, it would be necessary to be very specific with regard to percentage of noxiousness permissible, which could prove difficult to quantify.

In view of concerns expressed, the Director of Planning suggested a report back on conditional uses, and the Committee agreed this would be appropriate.

New Industrial Use Terms

In June of 1983, Council instructed that the Zoning and Development By-law be amended to implement a revised and expanded set of use terms, to classify those terms under generic headings, to list all use terms in one place in the By-law, and to define more terms than is presently the case. New agricultural use terms and new residential (dwelling) use terms have already been introduced into the By-law.

In his latest report on New Industrial Use Terms, the Director of Planning introduces changes primarily involving industrial schedules and other zones where industrial terms appear, The proposed terms will simplify the By-law, and will reduce ambiguity in the application of use terms to a particular project. They will assist in the co-ordination of the Zoning By-law with other by-laws, and clarify the impact of the proposed changes to the industrial zoning schedules. More specific use terms will allow additional outright uses in industrial zones.

A draft by-law appended to the report details the proposed new industrial use terms. Changes are summarized as follows under the four major headings which will be used in the By-law:

1 Manufacturing Uses - these terms will be virtually completely revised, using largely categories based on the nature of the products produced, and corresponding closely to the widely used Standard Industrial Classification (SIC);
2 Transportation and Storage Uses - 13 new use terms will be introduced, significantly changing this category.
3 Utility and Communication Uses - three existing terms will be expanded to five; and
4 Wholesale Uses - three existing terms will be expanded to six. A distinction is drawn between wholesale operations selling or distributing commodities in bulk (wholesaling - Class A) and those selling more like retailers, but primarily to other business or agencies, and frequently including a service component.

Mr. Droettboom reviewed the proposed new use terms, stressing they will reduce ambiguity, and will be more compatible with other by-laws. He noted the Parking By-law would also be amended, so that the major classifications (1 - 4 previously listed) would become the reclassifications for determining perking and loading requirements.

The Committee was amenable to the Director of Planning's recommendation that he be instructed to make application to amend the Zoning and Development and and Parking By-laws to implement the proposed new industrial use terms.

South of Granville Island Rezoning

There have been repeated requests for a zoning change to permit a broader range of uses in the South of Granville Island area, generally bounded by Burrard Street, Broadway, Hemlock and False Creek, and presently zoned M-1. This area has been a light industrial district since the adoption of the City's first zoning by-law, and while the role of industry has diminished, it still occupies about half of the land area. This industrial enclave is surrounded by commercial uses on the south and by mostly residential areas on the other three sides (illustrated by Appendices to the report). There is a considerable amount of commercial use in the area, including retail.

With respect to the South of Granville Island Rezoning report, the Director of Planning recommends proceeding to public hearing with proposed zoning changes intended to stabilize industry north of Sixth Avenue, to provide for non-traditional and high tech industry, and to permit a limited amount of compatible commercial uses. It is also the intent to provide an opportunity for Fourth Avenue east of Burrard to develop as a commercial link between Kitsilano and Granville Island/False Creek. The proposed zoning is shown on Appendix C attached, and is summarized as follows:

- The areas most suited to and used for undustry will be rezoned from M-1 to IC-1 and IC-2, accommodating manufacturing, transportation and storage, utility and communication, and wholesale uses up to a maximum floor space ratio of 3.0. A number of compatible commercial uses are also allowed, with a maximum floor space ratio of 1.0 which would substitute for, not be in addition to, the equivalent amount of industrial floor space. (The IC-1 and IC-2 Districts Schedule is a new one, described in more detail elsewhere in this report, and its adoption also involves adoption of new industrial use terms.)
- The intended small-scale commercial retail/office character of Fourth Avenue will be implemented through the extension of the C-2B district now existing west of Burrard, which will permit residential as a conditional use. Because of the proximity of industrial zoning, residential uses may not be appropriate in some instances, and applications for residential use may be refused if incompatibility is likely as a protection for industrial users.
- The blocks adjacent to the Broadway corridor are proposed to be zoned C-3A as most of the existing uses and development in those blocks are permissible under that schedule.
- The zoned areas within the bridge approach loop and most of the Fourth Avenue/Sixth Avenue diversion will remain open spaces with the conventional zoning designation RS-1.

With respect to parking in the south of Granville Island area, the City Engineer comments on parking pressures in some detail, noting the proposed zoning will increase demands on area parking because it will permit a greater amount of commercial development. Street parking in the area is highly utilized, and to ensure an adequate amount of parking to accommodate future changes, the following steps need to be taken:

- new commercial uses must meet existing by-law provisions;
- street parking must be monitored and further provision for short-term parking made as required; and
- Granville Island Trust should be advised that significant parking overspill cannot be accepted in this area, and that adequate parking provisions for employees and students must be pursued.

Mr. Droettboom reviewed the proposed rezoning, noting the intent is to retain industry while recognizing the area as already changing and likely to continue as a quasi-commercial area. Various technical aspects of the rezoning were explained. At the Committee's request, the City Engineer also commented on existing industries on Granville Island which are well suited to that location because of their access to water, which permits a significant amount of materials to be moved without utilizing the City street system.

The Committee heard from the following delegations.

- Mr. Gerald Stern, 2948 Investments ltd., was present in support of the Director of Planning's rezoning proposal for the area.
- Mr. Kevin Meikle, Alhara Developments Ltd., expressed concern that his company's opposition to the proposed treatment of Burrard Street frontage property had not been dealt with in the report, and requested the Committee to instruct the Planning Department to revise the proposed zoning to IC for the entire area north of Fourth Avenue, and for the frontage property, to provide for an increase in the potential commercial component of the total floor space ratio from 1.0 to 3.0.

The Associate Director of Planning, Overall Planning, reviewed the estensive public discussion process which has taken place with regard to rezoning. The comments of Alhara Developments Ltd. were taken into consideration, and the Planning Department did struggle with the concept of making this a commercial zone, but on balance felt it was sensible to retain some industrial potential for that area. Mr. Beasley also responded to queries of height regulations, and advised all recent new activity has been compatible with proposed IC zoning.

The Director of Planning also commented on the proposed zoning changes and Mr. Meikle's request, explaining the difficulties which would accrue from split zoning. He felt it would be more appropriate to operate through clear public by-laws creating some commercial potential, allowing better aministration and more clarification of what can be done in the area. The adherence of the present proposal to the Vancouver Plan was also cited.

The Committee was generally amenable to the proposed rezoning. In response to Mr. Meikle's request, a motion was put that the relevant strip of property along Burrard Street be zoned C-3; however, the majority of the members indicated they would not support such a motion, and the Chairman ruled such a motion would be appropriate only to a public hearing and was out of order in this context.

Marine Drive Industrial District Review - Fraserview Review

These reports deal with Zoning and development issues related to lands adjacent to the Fraser River, as will a forthcoming report on the Marpole Industrial area. The Marine Drive report proposes a consultation program for selecting alternative land use concepts and preparation of specific rezoning recommendations. The Fraserview report describes difficulties encountered in the marketing of City lands along the Fraser River, relates concerns in regard to present zoning and industrial policies, and advances alternative recommendations for the Fraserview lands.

Since Council will shortly be receiving a report related to the proposed Fraser River Task Force to review policies and development opportunities on the lands

adjacent to the Fraser River, the City Manager believes consideration of these reports should be delayed until that report is received. Should Council decide to proceed with the Fraser River Task Force, these reports should be incorporated into the Task Force's review.

The Committee agreed these reports should be deferred pending a decision on the Fraser River Task Force.

With regard to its foregoing review of industrial zoning matters, the Committee recommended

A That the City Manager's Industrial Zoning Overview report dated January 12, 1987, be received for information

B That City Council endorse the general direction of proposed modifications to New Industrial Zoning as generally described in the main report of the Director of Planning dated October 21, 1986, and illustrated in the model schedules attached thereto.

C That Council endorse the idea of an Industrial Land Use Policy as proposed in the Director of Planning's report on new industrial zoning dated October 21, 1986; and further that in anticipation of public discussion early in 1987, the attached draft policy statement be distributed for comment to all appropriate parties.

D That Council endorse the general direction of the proposed implementation program for adopting New Industrial Zoning as described in the Director of Planning's report dated October 21, 1986.

E That the Director of Planning report back on conditional uses proposed in the New Industrial Zoning, with regard to the concerns expressed by this Committee.

F That Council instruct the Director of Planning to make application to amend the Zoning and Development By-law to implement the New Industrial Use Terms generally in accordance with Appendix A of his report dated October 17, 1986, and that this application be referred directly to a Public Hearing.

G That Council instruct the Director of Planning to make application to amend the Parking By-law to implement the New Industrial Use Terms generally in accordance with Appendix B of his report dated October 17, 1986. and that this application be referred directly to Public Hearing.

H That Council instruct the Director of Planning to make application to amend the Zoning and Development By-law to adopt the IC-1 and IC-2 districts schedules generally in accordance with Appendix B of the City Manager's report on South of Granville Island Rezoning dated October 20, 1986, and that this application be referred to Public Hearing at the same time as the application to amend the by-law to adopt new industrial use terms.

I That the Director of Planning be instructed to make application to amend the Zoning and Development By-law to rezone the South of Granville Island area shown on the attached Appendix C from M-1 to IC-1, IC-2, C-2B, C-3A and RS-1 districts and that the application be referred to the same Public Hearing as Recommendation "H".

J That City Council adopt the policy that, so as to protect the industrial users in the South of Granville Island area, residential uses will only be permitted in the C-2B district where such use does not conflict with uses in the adjacent IC districts.

K That the City Engineer monitor on-street parking in the South of Granville Island area and make adjustments so as to make best use of the space available.

L That the Marine Drive Industrial Review and the Fraserview Review be deferred pending Council's decision on the Fraser River Task Force.

CITY COUNCIL ACTION:

Vancouver City Council, at its meeting held on January 27, 1987, approved the recommendations contained in the extract from the minutes of the Standing Committee of Council on Finance and Priorities report to Council dated January 15, 1987.

OTHER:

MANAGER'S REPORT

January 12, 1987

TO: Standing Committee of Council on Finance and Priorities

SUBJECT: Industrial Zoning - Overview

CLASSIFICATION: INFORMATION

The City Manager reports as follows:

Introduction

This report introduces five related reports on industrial zoning and development of City-owned industrial lands. Two general zoning reports represent a significant step forward in the development of new industrial zoning which Council directed staff to prepare. Principles for this zoning were approved by Council in 1983 and 1984. Through 1985 and 1986, staff consulted extensively with representatives of industrial owners, and with the Vancouver Economic Advisory Commission, and modified the proposed new zoning and the approach to its implementation. The other three reports deal with zoning or development issues related to specific industrial areas.

Background

Vancouver has about 2000 acres of industrially zoned land (about 10% of the City's total land area). The twelve industrial areas and their present zoning are shown on the map attached as Appendix A.

Industrial lands in the City are under many pressures to change. There is considerable interest in releasing industrial lands for occupancy by businesses which fall outside the traditional definition of industry, as well as for conventional commercial and residential uses. Equally, there is great concern to maintain the viability of existing industrial operations within the City. The non-traditional industries and some commercial uses are viewed as appropriate ways of increasing economic activity and employment in future; however, existing industrial use in Vancouver is at present a major contributor to employment and economic activity. (In 1981, these uses provided 40% of the region's industrial jobs, and about 25% of employment within the City). The balance between facilitating economic growth through new activities and protecting existing industrial uses has been a major concern of staff work to date.

General economic trends for the City and region are far from clear. Council's existing policy puts a heavy emphasis on retaining existing industrial users and on maintaining an opportunity for new traditional industries, as well as increasing the opportunity for non-traditional industries. It would be useful for Council to review its overall policies, and a report on the role of industry in the central city is in preparation.

The Mayor's inaugural address proposed a task force to review zoning and development issues related to lands along the Fraser River - subjects addressed by two of the reports in this package. A report on the proposed task force is in preparation, and will be brought to Council shortly.

DECISIONS BEFORE COUNCIL

The following sections will describe the five reports before Council and the City Manager's recommendations on each.

A. New Industrial Zoning

The New Industrial Zoning report proposes a set of tools for improving conditions in industrial areas: a proposed "industrial land use policy" clarifying the City's intentions in regard to industry and industrial lands; new zoning regulations to replace the existing zoning; and a program for rezoning industrial areas, including principles, process, and priorities.

The new schedules (IC-1, IC-2, I-1, and I-2) are designed to deal with the two primary concerns related to industrial lands - creating opportunities for non-traditional industries and new business activities and preserving existing viable industrial uses. The IC schedule permits a mix of industrial, office, and commercial uses, with relatively few exclusions. This mix should make the development of non-traditional industries viable in a manner which would be compatible with adjacent non-industrial uses. The I-1 and I-2 schedules provide for more traditional industrial uses, and serve to protect existing viable industries, as well as providing some certainty about the future for potential new industrial developments.

These schedules provide models for consultation with owners in regard to zoning proposals for each industrial area in the City. The choice between these schedules (and existing zoning schedules for other uses) provides sufficient flexibility to accommodate whatever changes Council may make in its forthcoming consideration of industrial policy. The policy issue lies in the choice between the schedules - IC, which will encourage non-traditional uses and a change in the area, or I, which will maintain traditional industrial character. Council had previously established tentative designations for each of the industrial areas in the City. This report recommends that those designations be reconsidered, in consultation with area industrialists and others.

The City Manager recommends approval of this report.

B. New Industrial Use Terms

New Industrial Use Terms Report proposes replacement of the existing terms in the Zoning Bylaw pertaining to industrial use. This change will improve the clarity and effectiveness of the zoning regulations, and facilitate processing of applications.

The City Manager recommends this report be approved.

C. South of Granville Island

The South of Granville Island report proposes proceeding to public hearing with specific zoning to replace the existing M-1 zoning with a combination of IC-1 and IC-2, C-2B, and C-3A. The objective is to provide for non-traditional and "high-tech" industry, with some compatible commercial uses in areas not suited for industry. This recommendation responds to repeated requests for a zoning change in this area to permit a broader range of uses.

The City Manager recommends this report be approved.

D. Marine Drive Industrial District and
E. Fraserview

The two remaining reports, Marine Drive Industrial District Review and Fraserview Review, deal with zoning and development issues related to the lands adjacent to the Fraser River. A forthcoming report on the Marpole Industrial Area will also deal with riverfront lands. The Marine Drive report proposes a consultation program for selecting among alternative land use concepts and the preparation of specific rezoning recommendations. The Fraserview report describes difficulties encountered in the marketing of City lands along the Fraser River and relates concerns in regard to present zoning and industrial policies. Alternative recommendations for the Fraserview lands are advanced.

Since Council will shortly be receiving a report related to the proposed Fraser River Task force to review policies and development opportunities on the lands adjacent to the Fraser River, the City Manager believes consideration of these reports should be delayed until that report is received. If Council decides to proceed with the Fraser River Task Force, the recommendations of these reports should be incorporated into the task force review.

Work Program and Next Steps

Assuming that Council is prepared to approve the recommendations outlined in this report, the work program would consist of two concurrent streams:

1. Finalization of the report on the Industrial Role of the Central City, and Council and public discussion of the City's overall industrial policy, and;

2. Work related to specific areas:

   a) Council consideration of the proposed Fraser River Task Force, and;

   b) consideration of further, area specific reports where zoning change is a high priority.

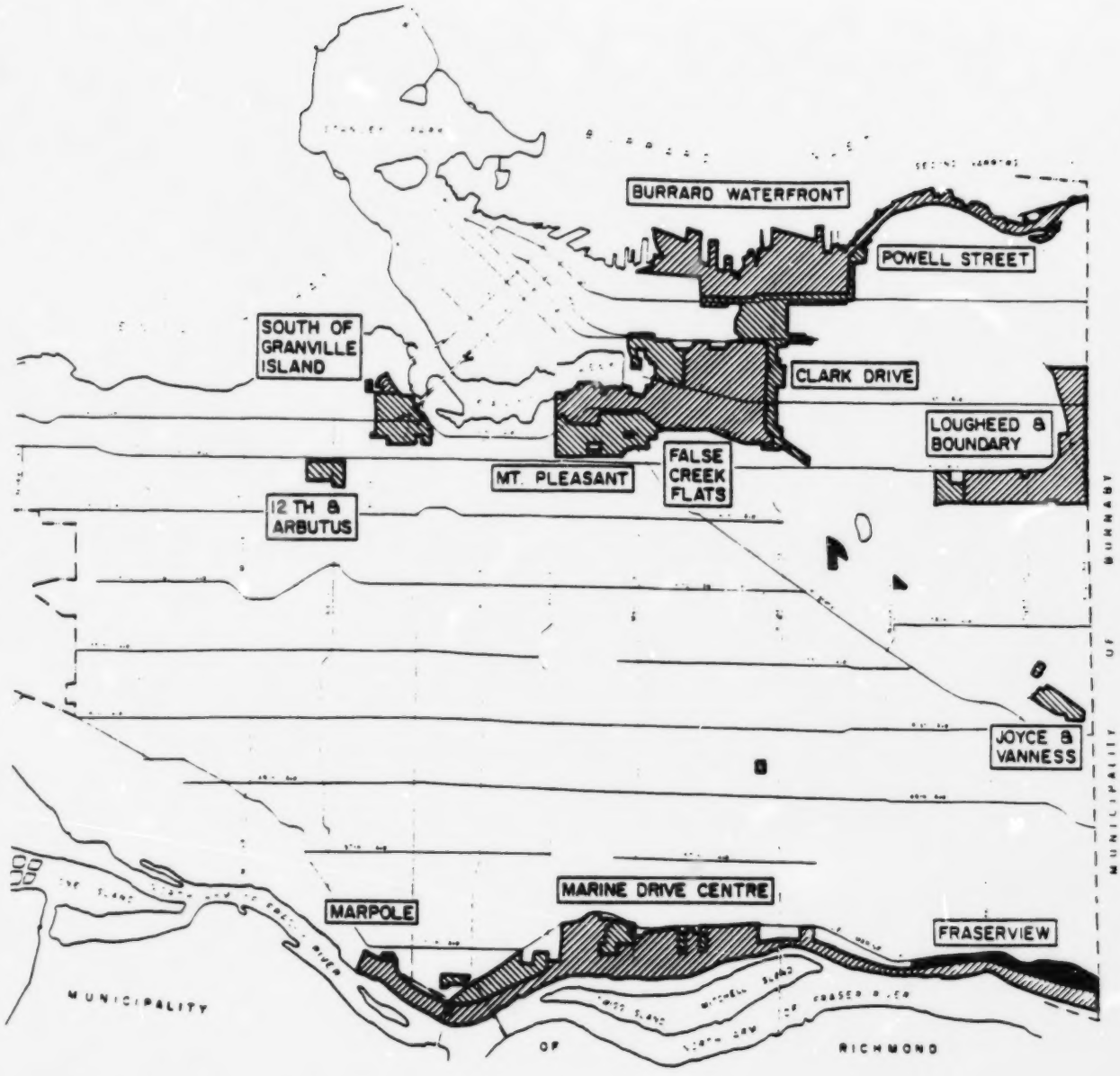
   High priority areas would include the Marpole industrial area, to be reported within a few weeks, and the Lougheed and Boundary (Still Creek), Joyce/Vanness, and Mount Pleasant industrial areas, to be reported during 1987. These total about 20% of the City's industrial lands.

This parallel consideration of overall policy and the rezoning of specific areas is possible by virtue of the flexibility offered by the new zoning schedules. Council will undoubtedly wish both to encourage new uses and businesses, and to protect existing viable industries. The policy issue essentially relates to the extent to which Council wishes to apply the new IC zones, which will encourage new uses. By dealing immediately with the areas where the pressure for change is high, Council will be responding to the needs of owners and developers seeking change, and gaining valuable input to its policy deliberations.

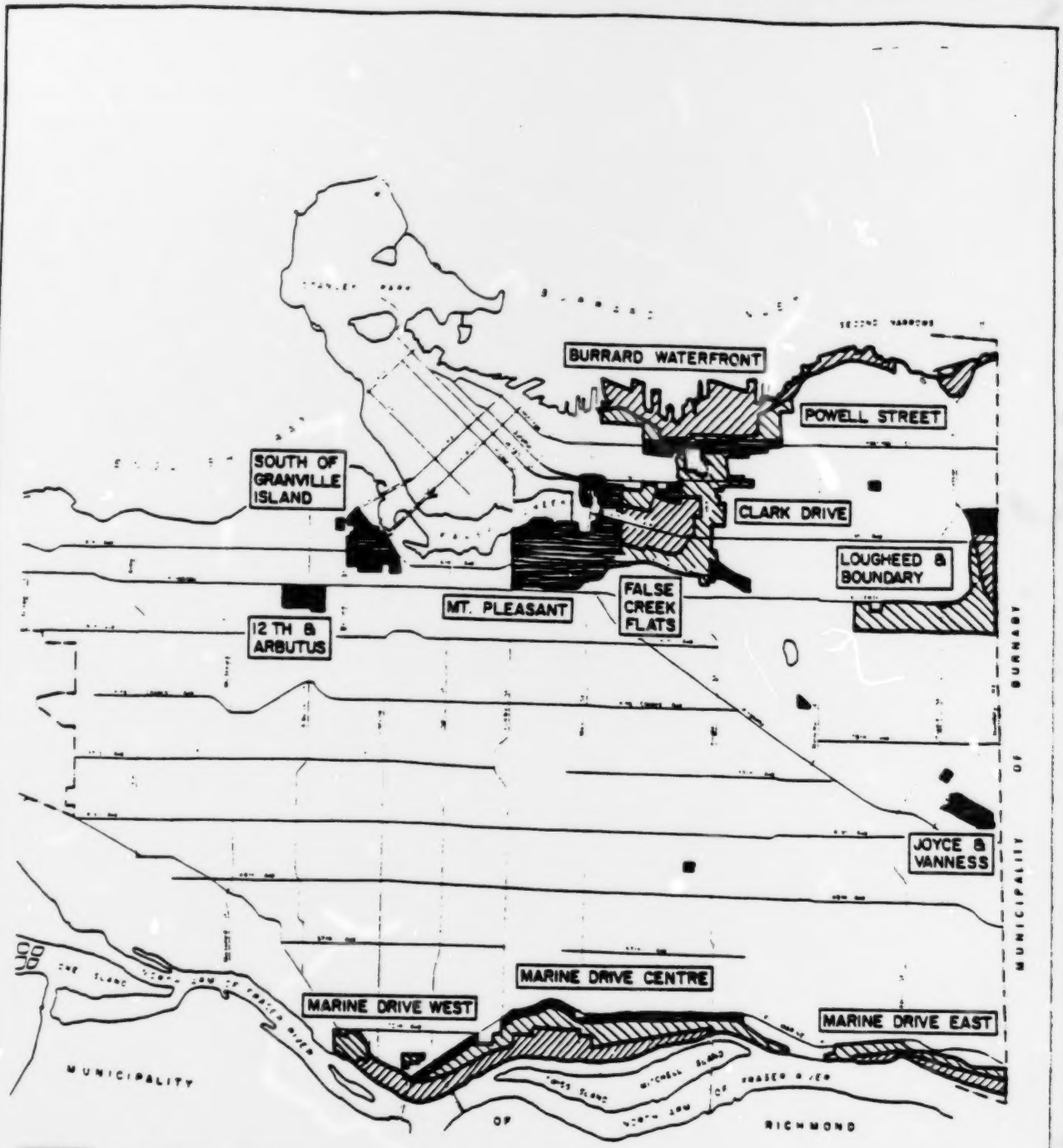
Overview

The issues involved in industrial policy and zoning are complex. They will not all be resolved quickly, and considerable consultation is required. Equally, however, it is important not to delay changes where they are appropriate. The proposed new industrial zoning schedules are a significant improvement in themselves, and provide a vehicle for discussion of proposed changes. The process proposed in these reports will allow important changes to take place, and permit continuing refinement in industrial policy and zoning.

The City Manager submits the above report for INFORMATION.



VANCOUVER INDUSTRIAL AREAS	Date Dec., 1986	↑
	Drawn I. G. Castle	
City of Vancouver Planning Department	Scale As above	No.



* as endorsed by City Council, July 12 and October 25, 1983.

AREAS DESIGNATED FOR NEW INDUSTRIAL ZONING*	Date	OCTOBER, 1986.	↑
	Drawn	I. G. C.	
City of Vancouver Planning Department	Scale	As above	No.

FINANCE & PRIORITIES AGENDA
JANUARY 15, 1987

MANAGER'S REPORT

October 23, 1986

TO: Standing Committee of Council on Finance and Priorities

SUBJECT: New Industrial Zoning - Summary Report

CLASSIFICATION: RECOMMENDATION

The Director of Planning, under date of October 21, 1986, has submitted a report on New Industrial Zoning. In summary he states:

"PURPOSE

This is a report back about proposed new industrial zoning and its implementation. The report advises that a change of approach, building on the experience of the last two years, is desirable. To carry through with this approach, the report makes three recommendations concerning new industrial zoning schedules, industrial land use policy, and a rezoning program.

BACKGROUND

During 1983 and 1984 City Council adopted a number of resolutions concerning new industrial zoning. These resolutions culminated in the preparation of draft new industrial schedules and instructions to consult with the industrial and development communities prior to implementation. Initial consultations revealed considerable resistance to the industrial proposals as then formulated. Through continuing consultations and through additional trial experience with several industrial developments, a new approach has been devised. This approach achieves several improvements over both the present situation and the original proposals.

IMPROVEMENTS

The work and negotiations carried on since 1984 have made it possible to substantially improve upon the original initiatives as follows.

1. Cleaner, simpler, more effective zoning

The revised zoning schedules will provide a more friendly regulatory environment for both traditional industries and for new, non-conventional economic activities such as high tech. This has been accomplished by

- o increasing the number of outright uses and decreasing those subject to conditional approval;
- o reducing the possibilities for non-industrial encroachment in traditionally strong industrial areas, while providing more opportunities for new economic activities in designated mixed-use areas;
- o lifting previously proposed limitations on height and density in "express-purpose" industrial areas;
- o removing suggested bonusing schemes which were judged overly complex and unlikely to be effective;
- o clarifying the intent of and differences among each of the proposed schedules;

- o implementing all public objectives through by-law regulations rather than discretionary guidelines;

- o clarifying use terms and sorting uses into broad classes for administrative efficiency (see the accompanying report on new use terms)

2. Clearer, more direct policy

Council's intentions for the city's industrial areas have been consolidated into a single, concise policy proposal. The policy statement details the rationale for husbandry of the city's industrial land supply and indicates the characteristics to be used in designating land for continued industrial use. It also specifies the tests to be applied when releasing land from industrial use and the alternative uses (principally residential, recreational, and institutional) which would be acceptable.

This draft policy would resolve some perceived conflict among a number of existing City objectives and provide a clear guide for managing the growing pressures for change in industrial areas. It would be a useful guide, both for the City-initiated rezonings proposed in this report and for privately backed applications such as that considered earlier this year for Angus East. The report recommends the proposed policy statement be referred to the public for comment and a decision be deferred to the new Council.

3. More open, more adaptive implementation

The earlier proposals incorrectly assumed that there were relatively uniform objectives among industrialists and land-owners in the city's various industrial areas. In fact, the consultations revealed more significant variations among areas than expected. To respond to these differences, the report recommends an incremental area-by-area implementation process which ensures:

- o that all affected parties in an area are given adequate opportunity to consider and respond to the proposed regulations;

- o that the resultant zoning is sensitive to area-specific as well as city-wide objectives; and

- o that areas experiencing real pressures for change receive highest priority.

A final proposal, resulting from an application of this implementation process to the South of Granville Island area, is submitted simultaneously with this report. Council has already received discussion proposals for central Marine Drive and for Still Creek, and will soon receive zoning recommendations resulting from area discussions in Mount Pleasant. Other area programs will follow.

RECOMMENDATIONS

The Director of Planning recommends:

A. THAT City Council endorse the general direction of proposed modifications to new industrial zoning as generally described in this report and illustrated in the model schedules, in the main report of the Director of Planning dated October 21, 1986.

B. THAT City Council endorse the idea of an Industrial Land Use Policy as proposed in the Director of Planning's report.

FURTHER THAT the draft policy statement be referred to the new Council for further action, and

FURTHER THAT, in the interim and in anticipation of public discussion early in 1987, it be distributed for comment to all appropriate parties;

C. THAT City Council endorse the general direction of the proposed implementation program for adopting new industrial zoning as described in the Director of Planning's report."

The City Manager RECOMMENDS that the recommendations of the Director of Planning be approved.

A PROPOSED INDUSTRIAL LAND USE POLICY FOR THE CITY OF VANCOUVER

1. It shall be a policy of the City of Vancouver to maintain a place for industry among Vancouver's land resources, corresponding to the role the City seeks to maintain for industry in Vancouver's economy, its employment opportunities, and its tax base.

2. This policy will pursue several objectives, as follows:

   2.1 to preserve and enhance the economic potential of Vancouver's industrial base;

   2.2 to promote the growth and diversity of employment opportunity in Vancouver's industrial base;

   2.3 to preserve and protect land for existing industrial activity;

   2.4 to provide and assure land for industrial expansion and new industry;

   2.5 to maintain the environmental conditions and transportation accessibility that are required for viable industrial enterprise;

   2.6 to maintain future land use options, industrial and otherwise; and

   2.7 to maintain a proper balance of major land uses in the city consistent with good principles of fiscal management, municipal infrastructure and services provision, and economic development.

3. For the purposes and objectives of this policy, lands presently zoned for industrial use will be deemed suitable for continued industrial use as follows:

   3.1 lands will be suitable for low-impact industrial use compatible with adjoining residential districts if they have the following characteristics:

      (a) access to local and regional transportation infrastructure for goods and materials movement by truck;
      (b) proximity to transportation infrastructure for goods and materials movement by air, water or rail transport; and
      (c) relative proximity to residential districts accommodating labour force employed or skilled in industrial occupations;

   3.2 lands will be suitable for high-impact industrial use if, in addition to the preceding characteristics, they have the following characteristics:

      (a) they are more than 1,000 feet from any residential district, or any other district encouraging residential use; or
      (b) if within 1,000 of any residential district, they are currently in high-impact manufacturing, wholesaling, storage or transportation uses.

4. For the purposes of this policy, and as determined by the provisions of Section 3, there shall be a city map showing areas suitable for continued industrial use, designating areas suitable for low-impact industrial use and areas suitable for high-impact industrial use. [See Appendix A]

5. To pursue and maintain the objectives of this policy, and by City Council's power to make zoning by-laws, lands deemed suitable for continued industrial use shall be preserved for industrial use in industrial districts, as follows:

   5.1 lands that are suitable for high-impact industrial use shall be preserved for such use in a high-impact industrial district (I-2); and

   5.2 lands that are suitable for continued industrial use but not high-impact industrial use shall be preserved for such use in a low-impact industrial district (I-1).

6. In recognition of factors which might limit, reduce or eliminate land's suitability for continued industrial use, in reference to the provisions of Section 3 of this Policy, lands zoned for industrial use may be rezoned, as follows:

   6.1 Lands may be rezoned for low-impact industrial use (I-1) if they are no longer suitable for high-impact industrial use according to the provisions of Section 3.2 of this policy;

   6.2 Lands may be rezoned for mixed industrial-commercial use (IC-1) if they are no longer suitable for continued industrial use, according to the provisions of Section 3.1 of this Policy, and if they have the following characteristics:

   (a) not in any high-impact industrial uses nor adjoining such uses,
   (b) principally in lawful uses that would be non-conforming in an industrial district,
   (c) within 1,000 feet of a residential district, and
   (d) within 1,000 feet of access of public transit,

   or, if they do not have all these characteristics and remain suitable for some continued industrial use, they are within an area designated by Council to be a district for accommodating low-impact advanced-technology manufacturing and related industry, thus fulfilling the objectives of this Policy;

   6.3 lands that are no longer suitable for industrial use, according to the provisions of Secion 3.1 of this policy, may be rezoned for non-industrial use, provided that it can be demonstrated at Public Hearing that variance from this Policy is in the community and public interest and provided that such non-indistrial use shall be limited to the following:

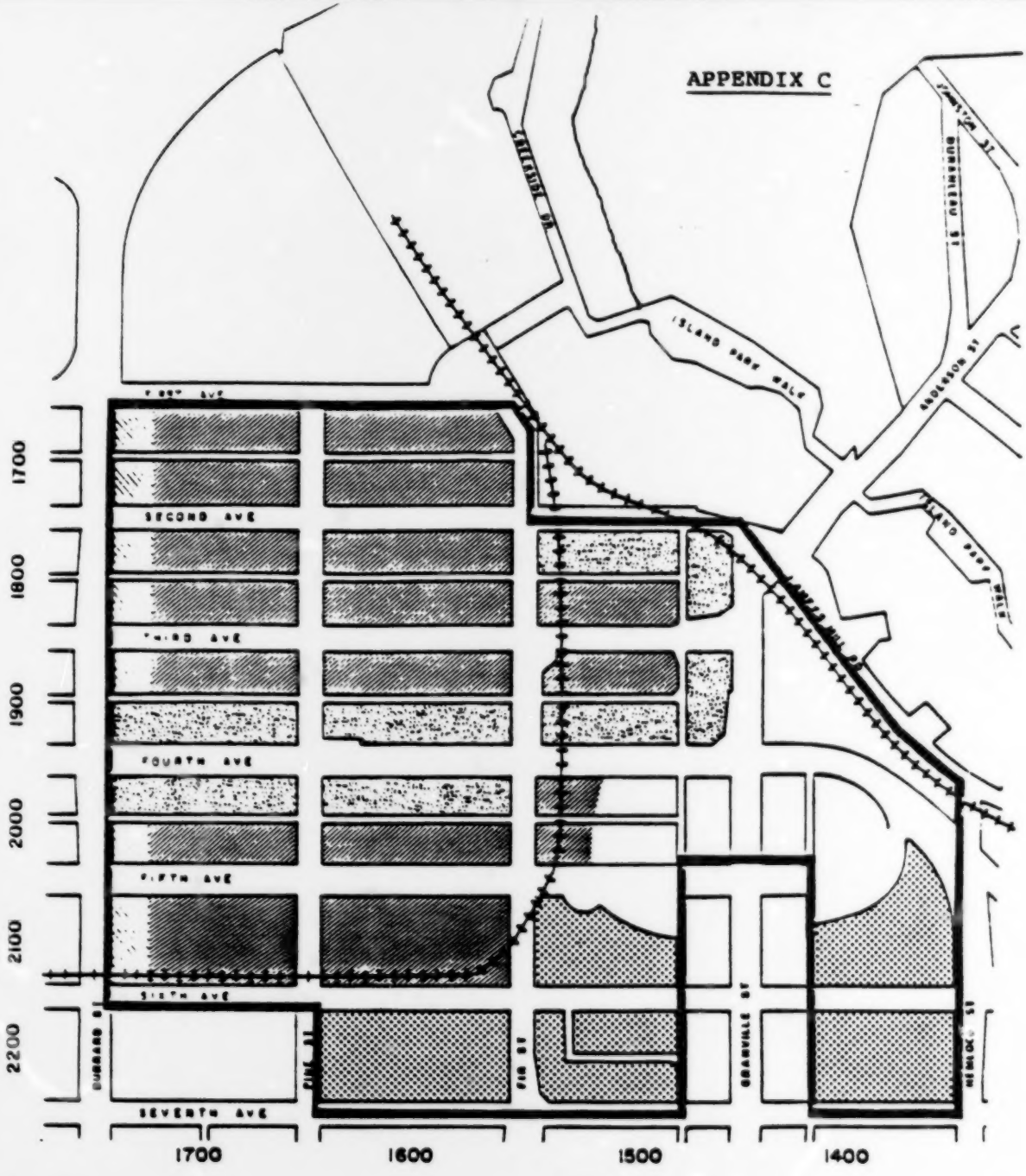
   (a) residential use,
   (b) civic institutional use, or
   (c) recreational use; and

6.4 lands that are no longer suitable for industrial use, according to the provisions of Section 3.1 of this policy, shall not be rezoned for retail, office, and other commercial uses, unless the following conditions are met:

(a) it shall be demonstrated at Public Hearing that variance from this policy and exemption from the principles of The Vancouver Plan are in the communitry and public interest;
(b) proposed retail, office, or other commercial uses shall have limited development opportunity in districts accommodating such uses; and
(c) such lands shall be within 500 feet of access to public transit and principally in lawful uses that would be non-conforming in an industrial district.

7. This policy shall be reviewed at least once in every two-year period such that every City Council has opportunity to reaffirm this policy and make whatever amendments to it that it considers necessary at the time. For this purpose Council may seek the advice of City staff and solicit public views as it deems appropriate.

APPENDIX C



NOTE : Zoning indicated within study boundary only.

SOUTH OF GRANVILLE ISLAND Proposed Zoning	Date 86-03-11 Drawn N.B.	↑
City of Vancouver Planning Department	Scale 1"=400'	No.